

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

WASHINGTON, D.C. 20460

JUL 2 5 2006

THE ADMINISTRATOR

Governor Rod R. Blagojevich Office of the Governor 207 State House Springfield, IL 62706

Re: Fuel Waiver Concerning the Metro-East St. Louis Area RVP Requirements

Dear Governor:

I am writing in response to the July 25, 2006 letter of Robert A. Messina, Chief Legal Counsel of the Illinois Environmental Protection Agency (IEPA), in which he requests on your behalf that the United States Environmental Protection Agency (EPA) waive gasoline volatility requirements in the following Illinois counties: Madison, Monroe and St. Clair (Metro-East St. Louis area). IEPA has informed EPA that some service stations risk running out of fuel. This shortage is due to widespread power outages and refinery damage resulting from a severe thunderstorm in the Metro-East St. Louis area. Illinois has requested that EPA waive the 7.2 pounds per square inch (psi) Reid Vapor Pressure (RVP) gasoline volatility requirement in its Federally-enforceable State Implementation Plan (SIP). 60 Fed. Reg. 15,233 (March 23, 1995).

EPA, in consultation with the Department of Energy, has evaluated the prospect of gasoline supply problems being experienced as a result of this storm. Based on this evaluation, I have determined that an "extreme and unusual fuel supply circumstance" exists that will prevent the distribution of an adequate supply of compliant gasoline to the Metro-East St. Louis area.

See Clean Air Act Section 211(c)(4)(C) (2005). This fuel circumstance is the result of the severe thunderstorm, a natural disaster, that could not reasonably have been foreseen or prevented and is not attributable to a lack of prudent planning on the part of the suppliers of the fuel to this area.

Id. Furthermore, I have determined that it is in the public interest to grant this waiver.

We recognize the environmental benefits of the Illinois SIP's RVP requirements in the Metro-East St. Louis area. However, in order to minimize or prevent problems with the supply of gasoline, I am today issuing this waiver of the 7.2 RVP SIP requirements for the Metro-East St. Louis area, effective immediately and continuing until midnight on August 4, 2006. Thus, EPA will allow regulated parties to distribute and sell conventional gasoline with an RVP of 9.0 in the Metro-East St. Louis area.

After August 4, 2006, regulated parties may not introduce gasoline with an RVP above 7.2 into terminal storage tanks from which gasoline is dispensed into trucks for distribution to retail outlets in the Metro-East St. Louis area. No later than September 3, 2006, the gasoline dispensed from such terminal tanks for distribution and sale in the Metro-East St. Louis area must meet the 7.2 RVP standard in the SIP. Retailers and wholesale purchaser-consumers may continue selling or dispensing gasoline with an RVP of up to 9.0 psi in the Metro-East St. Louis area until their supplies are depleted.

To the extent practicable and consistent with supplying market demands (i.e., where tankage is available), regulated parties should take steps to segregate and supply gasoline that meets the 7.2 RVP requirement.

If you have questions you may call me, or your staff may call Adam M. Kushner at 202-564-2260.

Sincerely,

Sephen L Johnson

cc: Secretary Samuel W. Bodman, Department of Energy EPA Regional Administrator Mathur, Region 5